

EXHIBIT 7

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7CJAAMAGP Plea

1 UNITED STATES DISTRICT COURT
1 SOUTHERN DISTRICT OF NEW YORK

2 -----x

3 UNITED STATES OF AMERICA,

4 v. 07 SD 312 (RLE)

5 SANTO C. MAGGIO,

6 Defendant.

7 -----x

8 New York, N.Y.
8 December 19, 2007
9 11:30 a.m.

10 Before:

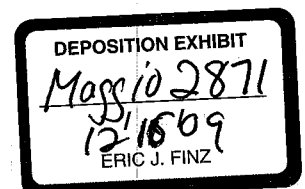
11 HON. RONALD L. ELLIS,
12 Magistrate Judge

13
14 APPEARANCES

15 JAMES B. COMEY
15 United States Attorney for the
16 Southern District of New York
16 NEIL BAROFSKY
17 CHRISTOPHER GARCIA
17 Assistant United States Attorney

18 PAUL SHECHTMAN
19 Attorney for Defendant Maggio

20 SCOTT E. HERSHMAN
20 Attorney for Defendant Maggio



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1 THE DEFENDANT: Yes, your Honor.

2 THE COURT: Did they explain it to you?

3 THE DEFENDANT: Yes.

4 THE COURT: Do you understand that you have an
5 absolute right to have this proceeding before a United States
6 district judge?

7 THE DEFENDANT: Yes, I do.

8 THE COURT: You are voluntarily proceeding before a
9 United States magistrate judge?

10 THE DEFENDANT: Yes.

11 THE COURT: Mr. Maggio, you are charged in a four
12 count information. Count One of the information charges you,
13 well, conspiracy to commit securities fraud, wire fraud, bank
14 fraud and money laundering and to make false filings with the
15 SEC and material misstatements to auditors in violation of
16 Title 18 U.S.C. Sections 371. This crime carries a maximum
17 sentence of five years imprisonment, a maximum fine which is
18 the greatest of either \$250,5000 or twice the gross pecuniary
19 gain derived from the offense or twice the gross pecuniary loss
20 to persons other than yourself as a result of the offense.
21 There is a \$100 special assessment and a term of supervised
22 release of three years.

23 Counts Two and Three of the information charge you
24 with securities fraud in violation of Title 15 U.S.C. Section
25 78 (J) (B) and 78 (F) (F) and Title 17 Code of Federal

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1 defendant used or caused to be used interstate wires or that
2 such use was reasonably foreseeable to him.

3 THE COURT: Mr. Maggio, did you hear that recitation?

4 THE DEFENDANT: Yes.

5 THE COURT: Did you understand that if the government
6 were to proceed to trial against you it would have the burden
7 of proving each element for each offense, that is, each count
8 beyond a reasonable doubt.

9 THE DEFENDANT: Yes.

10 THE COURT: Did you commit the offenses for which you
11 have been charged, Mr. Maggio?

12 THE DEFENDANT: Yes.

13 THE COURT: Tell me what you did.

14 MR. SCHECTMAN: Judge, if it's acceptable to you
15 Mr. Maggio has written out a statement that I think speaks to
16 all four crimes.

17 THE COURT: Considering the complexities here I'll
18 allow him to read and then if it's not he could fill in the
19 gaps.

20 THE DEFENDANT: Your Honor, from the late 1990s to
21 October 2005 I was a senior executive at Revko Ink. During
22 that period I participated with others to hide the true
23 financial health of Revko from banks, counter-parties, auditors
24 and investors. With my knowledge and active participation
25 Revko's substantial losses were covered up as revenues padded

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1 and certain operating expenses were moved off its book. Among
2 the acts I personally engaged in the signing of loan agreements
3 referencing paragraphs 61-D and 61-P of the indictment.

4 As a result of my conduct and that of my
5 coconspirators false financial statements were issued to obtain
6 debt financing from the public including 9 percent senior
7 subordinated notes referenced in Count Two of the indictment.

8 To consummate the sale of 57 percent of Revko to a
9 group headed by Thomas H. Lee in 2004 and to obtain \$800
10 million in bank financing the same year and to effect the Revko
11 initial public offering in 2005. Moreover, with my knowledge
12 false financial statements were filed with the SEC including
13 form 10K referencing Count Four. The mails and interstate
14 wires were used as part of the fraudulent scheme.

15 I deeply regret my conduct and the harm that it has
16 caused.

17 THE COURT: First of all, with respect to all of the
18 activities that you've indicate you participated in it
19 knowingly?

20 THE DEFENDANT: Yes.

21 THE COURT: Okay. Where did this take place.

22 THE DEFENDANT: In New York, New York. Manhattan, New
23 York.

24 THE COURT: You said coconspirators, so other people
25 had agreed with you to effectuate this scheme?

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